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OFFICE OF INSPECTOR GENERAL

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Fundraising

It is that time of year when schools, churches and other non-profit organizations start conducting fundraisers. Below are a few important points to keep in mind when considering fundraising issues.

Ghost Employment rule (42 IAC 1-5-13) – The ghost employment rule prohibits state officers, employees or special state appointees from engaging in, or directing others to engage in, work other than the performance of official duties during working hours, except as permitted by general written agency, departmental or institutional policy or regulation.

Use of State Property rule (42 IAC 1-5-12) – The use of state property rule prohibits state officers, employees or special state appointees from using state materials, funds, property, personnel, facilities or equipment for any purpose other than for official state business unless the use is expressly permitted by a general written agency, departmental or institutional policy or regulation that has been approved by the State Ethics Commission.

Gifts; Travel Expenses; Waivers rule (42 IAC 1-5-1) – The gifts, travel expenses and waivers rule prohibits state employees or special state appointees, or their spouses or unemancipated children from knowingly soliciting, accepting, or receiving gifts, services, entertainment, or travel expenses from a person who has a business relationship with the employees' or special state appointees' agency or who is seeking to influence an action by the employees or special state appointees in their official capacity. However, there are some exceptions to this rule where accepting items would be allowed. See 42 IAC 1-5-1 (2)(1)-(8).

Common questions related to fundraising:

Can I help raise funds for an organization I support on my own time? Yes, so long as you are not doing so on state time, not using state property, or not acting in your official capacity. You also cannot solicit donations from a person who has a business relationship with your agency.

Can I conduct a fundraiser, such as a bake sale, within my office for a charity or organization I support?

Yes, but only if it is associated with the Indiana State Employees' Community Campaign ("SECC"). The SEC is set up to provide state employees a means to contribute to a 501(c)3 organization of their choice. You should not use state time or property to conduct fundraisers that are not associated with the SECC. Further, as provided in the State of Indiana Employee Handbook, attaching signs, placards or the like to any property of the state is prohibited except on appropriate bulletin boards.

Fundraising (continued)

Can I accept donations to my charity of choice from a person who has a business relationship with my agency?

No, this would be considered a violation of the gifts rule even though you are accepting the donation on behalf of a charity.

Legislative Update

A few noteworthy changes to the Code of Ethics ([42 IAC 1](#)) took effect July 1st. You can find detailed information on these changes on our website (www.in.gov/ig). Some highlights are below.

IMPORTANT: *The changes to the Code of Ethics took effect on July 1st.*

Use of state property: Personal use of state property is prohibited unless allowed for by your agency's limited use policy. Personal use of state property for a political purpose is strictly prohibited.

Post-employment: Clients and customers of sole proprietorships and professional practices are now considered employers. If you participated in a contract with an employer that ended more than two years ago, you may be exempt from the required one-year waiting period. ALJs are subject to the one-year waiting period. Post-employment waivers have additional new criteria, are reviewed by the State Ethics Commission, and are posted on the OIG website.

Conflict of interests in decisions and voting (42 IAC 1-5-6): You cannot participate in any matters relating to decisions in which you may have a financial interest as well as the actual decision or vote. You must report all identified potential conflict of interests to your ethics officer and agency leader and disclose them to the State Ethics Commission through the new disclosure form or by appearing before the Commission to obtain a formal opinion on the matter.

Financial interest in a contract: 42 IAC 1-5-7 still prohibits state workers from having a financial interest in a contract made by a state agency. If you meet certain exceptions, you may be able to have financial interest in a contract, but you must file a disclosure form prior to entering into such a contract.

Outside employment/moonlighting: Though permission to obtain a second job is not required under the Code, you should discuss moonlighting/outside employment opportunities with your agency Ethics Officer to determine if the opportunity would present conflicts with your state duties or violate any agency policies. If the Ethics Officer or employee has concerns after such a discussion, you can obtain a formal advisory opinion on the matter from the State Ethics Commission.

Ethics Training

The OIG has recently launched the 2015 Ethics training. This on-line training is mandatory for all state employees, special state appointees and state officers under 42 IAC 1-4-1. Your agency's Ethics Officer and/or HR representative will be in touch with you regarding your agency's schedule and instructions for completing the training in the coming months.